### UNITED STATES DISTRICT COURT FOR THE DISTRICT OF PUERTO RICO

In re:

**PROMESA** Title III

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

Case No. 17 BK 3283-LTS

THE COMMONWEALTH OF PUERTO RICO, et al.

(Jointly Administered)

Debtors.<sup>1</sup>

In re:

**PROMESA** Title III

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

Case No. 17 BK 4780-LTS

PUERTO RICO ELECTRIC POWER AUTHORITY.

Debtor.

Re: ECF Nos. 814 (Case No. 17-4780), 2980 (Case No. 17-3283)

WIDERANGE CORPORATION,

-against-

Movant,

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO ELECTRIC POWER AUTHORITY,

Respondent.

This Joint Motion Relates Only to PREPA and Shall Only be Filed in Case Nos. 17 BK 3283-LTS and 17 **BK 4780-LTS** 

The Debtors in the jointly-administered Title III cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

# JOINT MOTION IN COMPLIANCE WITH ORDER RELATED TO WIDERANGE CORPORATION'S MOTION FOR RELIEF OF STAY

To the Honorable United States District Court Judge Laura Taylor Swain:

On behalf of the Puerto Rico Electric Power Authority ("PREPA"), the Puerto Rico Fiscal Agency and Financial Advisory Authority ("AAFAF") pursuant to the authority granted to it under the *Enabling Act of the Fiscal Agency and Financial Advisory Authority*, Act 2-2017, and Movant, Widerange Corporation ("WR"), respectfully submit this Joint Motion in Compliance with Order (the "Motion"). In support of the Motion, the parties respectfully state as follows: <sup>2</sup>

- 1. On July 16, 2018, this Court entered an order granting WR's unopposed request for an extension of time to file a joint report and extended the deadline to July 25, 2018. [Dkt. No. 3525.] The joint report pertains to this Court's order entered on May 1, 2018 (the "Initial Order") concerning the parties' efforts to address "[m]ovant's expressed concerns regarding the potential impact on its commercial prospects of the unresolved controversy as to whether there was a factual basis for the delay penalties, the Court encourages the parties to meet and confer promptly to seek to develop a mutually acceptable statement regarding the nature and pendency of the stayed litigation that can be used in connection with reference inquiries as Movant bids for business. The parties must file a joint status report concerning their efforts by June 4, 2018." [Dkt. No. 2980 at 6.]
- 2. In compliance with the Initial Order, on July 25, 2018, the parties informed the Court of the efforts made by both parties to reach an agreement as related to the nature and pendency of the stayed litigation and WR's concerns regarding the potential impact of the

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The Financial Oversight and Management Board for Puerto Rico, as the Debtors' representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* ("PROMESA"), has authorized AAFAF to join in this Motion on behalf of PREPA.

pending litigation in relation to its commercial prospects with PREPA. [Dkt. No. 3697]

- 3. The parties have informed the Court on various occasions that they have been in the process of discussing possible alternatives to adequately address the Court's order. [Dkt. Nos. 3812, 3896, 4023, 4083, 4275, 4432, 4799].
- 4. The parties hereby inform the Court that they have reached an agreement in principle regarding the use of the contested penalty at issue as an adverse performance history by WR. The parties have agreed that, during the duration of the automatic stay and/or while their controversies remain unadjudicated, PREPA will not use the events related to the contested penalty at issue in *Wide Range Corporation v. Autoridad de Energía Eléctrica*, Civil Case No. K AC2016-1247, before the Court of First Instance of Puerto Rico, San Juan, as an adverse performance history for other projects in which WR may bid.
- 5. The parties continue to work on definitive documentation of this agreement in principle and will file a joint motion on the status of such documentation and their respective positions on any pending issue by April 15, 2019.

#### RESPECTFULLY SUBMITTED.

I HEREBY CERTIFY that on this date, I have electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to counsel of record.

In San Juan, Puerto Rico, this 15th day of February, 2019.

#### THE PUERTO RICO ELECTRIC **POWER AUTHORITY**

By its attorneys,

/s/ Arturo Díaz Angueria USDC No. 117907

/s/ Katiuska Bolaños Lugo USDC No. 231812 CANCIO, NADAL, RIVERA & DÍAZ, P.S.C. PO Box 364966 San Juan, PR 00936-4966

Phone: (787) 767-9625 Fax: (787) 764-4430 Email: adiaz@cnrd.com kbolanos@cnrd.com

## THE PUERTO RICO FISCAL AGENCY AND FINANCIAL **ADVISORY AUTHORITY, as Fiscal Agent for PREPA**

By its attorneys,

/s/ Diana M. Perez

Nancy N. Mitchell (admitted pro hac vice) Diana M. Perez (admitted pro hac vice) O'Melveny & Myers LLP 7 Times Square New York, NY 10036 Phone: (212) 326-2000

Fax: (212) 326-2061

Email: nmitchell@omm.com dperez@omm.com

By: Luis C. Marini Biaggi

Luis C. Marini-Biaggi USDC No. 222301 Carolina Velaz-Rivero

### **MOVANTS Widerange Corporation**

S/ Alexis A. Betancourt Vincenty

Alexis A. Betancourt Vincenty USDC-PR No. 301304 Lugo Mender Group, LLC 100 Carr. 165 Suite 501 Guaynbao, P.R. 00968-8052 Tel. (787) 707-0404 Fax (787) 707-0412

a betancourt@lugomender.com

USDC No. 300913 MARINI PIETRANTONI MUÑIZ LLC

MCS Plaza, Suite 500 255 Ponce de León Ave. San Juan, Puerto Rico 00917

Tel.: (787) 705-2171 Fax: (787) 936-7494

Attorneys for the Puerto Rico Fiscal Agency and Financial Advisor Authority